



MAYOR LEE BRAND

June 5, 2017

California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Dear President Picker and Commissioners,

As the City of Fresno's Mayor, I am writing to express my support for Pacific Gas and Electric Company's Enhanced Economic Development rates and respectfully urge the California Public Utilities Commission to approve their extension. Since its initial approval in 2014, this rate structure has benefitted Fresno and the greater central San Joaquin Valley region through business retention and expansion and the accompanying job creation that brings.

As you know, these rates allow PG&E to offer a competitive electric rate to attract employers to California and help convince businesses looking elsewhere to not only remain in the state, but possibly expand their operations. The effort has been effective and fits perfectly with my economic development push, which is focused on growing and diversifying the City of Fresno's economy and reducing its unemployment rate, which is one of the highest in the state. California's economy has certainly improved since 2014, but parts of the state such as this region are still experiencing high unemployment and stagnant wage growth.

A primary reason that the Central Valley has been able to attract thousands of jobs and increase commerce in the area is a direct result of the Enhanced Economic Development Rate, which offers a 30% rate reduction for five years in areas which continue to have the highest unemployment in the state. These rates still benefit all PG&E customers by making more revenues available to cover the utility's fixed costs.

PG&E would not only like to continue these reductions, but expand the scope. The current program cap is 200 megawatts. PG&E proposes increasing that to 400 megawatts, and adding an option for another 200 megawatts if the need arises, through an advice filing to the commission. The utility is also proposing an option for small businesses who don't qualify for the current rate, and includes businesses that want to stay in California but don't qualify because they're not considering an out of state option. The new proposal also allows for agricultural customers to qualify, if their business can reasonably be relocated.

For cities and counties in PG&E's service area – such as Fresno – which have unemployment rates at least 25 percent higher than the state average, the extension and expansion of this rate is critical to our job growth efforts. Thank you for your consideration of this request.

Sincerely,

Lee Brand
Fresno Mayor